LETTER OF INTENT

PROJECT: Demolition of Damaged Structure

214 S. Marquette Street Madison, WI 53704

APPLICATION FOR: Demolition Permit

DESCRIPTION:

Removal of a two story wood frame 2 unit building damaged by an explosion on September 21, 2010.

The structural frame of the building was severely damaged by the explosion and by order of the City of Madison Building Inspector has been unoccupied since the date of the event. Repair costs exceed replacement cost of this wood frame structure which was constructed in 1914.

The first step in the reconstruction is to cap utilities 1' from the lot line or per specific utility requirements. Then to remove the house and detached garage using "deconstructive" techniques to reclaim salvageable components and salvageable metals. A Reuse and Recycling Plan will be prepared for approval by the City of Madison Recycling Coordinator prior to the start of removal of the structures.

Activities will include the removal and recycling of the concrete private sidewalks, stone foundations and concrete footings and floor slabs, placement of clean compacted backfill with a 4" cover of topsoil. The finish elevation of the demolition area will be 4" higher at the center of the former buildings and be pitched outward to the existing grass yard to provide positive drainage. The grass yard and perimeter wood and chain link fencing at the rear yard are to remain. No soils are to be removed from the property.

The existing gravel drive way is to serve as the work platform for the removal activities and shall be top dressed at the project completion. Silt fencing will be installed along the front sidewalk and along the first 25' of the sides of the front yard. The silt fence will be maintained until the grass seed has been established.

RECONSTRUCTION

Presently there is ongoing litigation to obtain final settlement of insurance funds necessary to undertake the reconstruction. The proposed reconstruction would be a 2 story wood frame building at the same location as the original building—set to the north side of the lot with a driveway on the south side. The character of the structure would be traditional and consistent with that of those structures on S. Marquette Street. The front yard setback for the new structure would be equal to the average of the adjacent buildings and conformance to the rear setbacks and the side yard on the south side. A minor variance may be requested for the northern side yard. The current northern side yard is 5' on this 40' wide lot. If a side yard variance is desired, a separate and appropriate application/requests will be

made. No variances are being made with this application. A detached garage would be located in the rear yard. There would be no change in the parking. Attached **PROPOSED CONCEPT** is an illustration of the character of the replacement building.

Site size: 40' x 120' 4,800 sf .11 acres

Proposed Use: 2 unit rental with two (2) one (1) bedroom units 1,050 sf each

Proposed Construction: Concrete foundation (basement) 2 story wood frame with composite

siding with asphalt roof singles

Accessory Building: Single story slab on grade wood frame garage with composite siding and

asphalt roof shingles containing 400 sf

The timing of the reconstruction is dependent on the outcome of the litigation with the building insurer and with the 3rd party contractor that caused the explosion. The insurance proceeds issued to date have been paid against the first mortgage on the property and are not available toward the reconstruction.

Reconstruction is not only dependent on receipt of insurance proceeds, but also the ability to obtain mortgage financing. The recent disclosures regarding PCE soil contamination that appears to be related to Madison Kipp have eliminated the ability to obtain mortgage funding for a property that is the area of contamination. This property is 3 houses to the south from the 5 houses that have had remediation systems installed on their property due to PCE vapor intrusion in the homes. See attached December 21, 2011 Wisconsin State Journal article written by Ron Seeley titled "Disturbing soil test results near Madison-Kipp prompt DNR to warn neighboring homeowners". Until the full extent of the contamination is determined and appropriate remedial actions taken; the ability to obtain the necessary financing is severely restricted or likely to be impossible. Due to these hardships, there can be no definite timeline for reconstruction.